

Old Age, Disability, Death

First law: 1919.

Current laws: 1956 (old age pension), 1959 (survivor pensions), 1966 (disability pension for employed persons), 1975 (general incapacity).

Type of program: Social insurance system.

Exchange rate: U.S.\$1.00 equals 1.78 guilders.

Coverage

Old-age and survivor pension: All residents.

Disability pension: All residents over age 18, including persons disabled since childhood (nonworking wives covered for rehabilitation and other benefits in kind).

Supplementary system of additional benefits for employed persons only (excludes self-employed).

Source of Funds

Insured person: 14.55%, 1.80%, 6.30%, and 9.40% of income for old-age, survivor, disability, and supplementary disability pension for employed persons, respectively. Low-income persons exempted.

Employer: None. Employer pays earnings supplement to compensate for part of employee's contribution.

Government: Funds needed to bring low benefits up to social minimum (1,514 guilders a month for single persons and 2,163 guilders for a couple). Cost of pensions for those disabled since childhood, and any deficit. Lump sum contribution for disability scheme.

Maximum earnings for contribution purposes: 44,349 guilders a year.

Separate ceiling for supplementary disability program for employed persons: 286 guilders a day (earnings below 99 guilders a day exempt from contribution).

Qualifying Conditions

Old-age pension: Age 65. Contributions paid each year from age 15 through 64, for full pension; otherwise reduced pension (no decrements for pre-1957 period if resident citizen with 6 years of residence after age 59). Two persons sharing a household can qualify for a couple's pension (if both are over 65 or, if under 65, one partner satisfies income test). Retirement unnecessary. Payable abroad.

Disability pension: Loss of over 80% of earning capacity in suitable occupation for full pension, or 25% to 80% for partial pension. (15% to 80% for partial pension under system for employed persons.) Currently covered at onset of disability.

Survivor pension: Deceased was insured, and survivor is widow (or widower) of specified category or full orphan.

Old-Age Benefits

Old-age pension: Couple (whether married or not): 994 guilders a month for each; single, 1,430 guilders (1,778 guilders if single parent caring for child under 18). Pension reduced by 2% for each unexcused year of noncontribution during nonresidence.

Adjustment: Automatic adjustment of all pensions twice a year for changes in net minimum wages.

Permanent Disability Benefits

Disability pension: 70% of base amount if 80% disabled (base amount equals 99.4 guilders per day for singles).

May be increased for married pensioners with low incomes.

Constant-attendance supplement: 30% of base amount.

Partial disability: 21% to 50% of base amount for 25% to 80% disability, according to schedule in law.

Disability for employed persons: Provides added payments necessary to bring combined benefit to 70% of earnings (earnings ceiling 286 guilders a day) for at least 80% disability; payments of 9% to 70% of earnings for 15% to 80% disability. (May be increased for pensioners with low income.)

Constant-attendance supplement: 30% of full pension.

Adjustment: Automatic adjustment of all pensions twice a year for changes in minimum wage.

Survivor Benefits

Survivor pension: 2,404 guilders a month to widow caring for child under age 18. Other widows aged 40 or disabled, 1,755 guilders a month (also payable to widows under age 40 for 6 months plus 1 additional month for each year between age 26 and 40).

Orphans: 562 guilders a month for each full orphan under age 10, 843 guilders if age 10-16, and 1,123 guilders if student and age 16-27 or disabled and age 16-18 when disability pension becomes payable.

Adjustment: Automatic adjustment of all pensions twice a year for changes in net minimum wages.

Death benefit: See sickness insurance, below.

Administrative Organization

Social Security Advisory Board, general supervision; tripartite membership.

Social Insurance Bank, administration of old-age and survivor pensions.

Industrial association for each branch of trade and industry, administration of disability pensions within industry; approved joint employer-employee bodies with compulsory nationwide membership and bipartite governing boards. District and local offices of associations receive and pay claims. Administration of Industrial Associations by Joint Administration Office (GAK) and by associations themselves. Coordination of Industrial Associations and adjustment of procedures by Temporary Institute for Coordination and Adjustment.

Collection of contributions by National Revenue Department for old-age, disability, and survivor pensions, and by industrial associations for disability pension for the employed.

Sickness and Maternity

First law: 1931.

Current laws: 1964 (medical benefits), 1966 (cash benefits), and 1968 (exceptional medical expenses compensation).

Type of program: Social insurance system. Cash and medical benefits.

Coverage

Medical benefits: Compulsory coverage for wage earners and salaried employees earning less than 58,950 guilders a year and old-age pensioners with income less than 30,950 guilders per year. Exceptional medical expenses: All residents.

Cash benefits: All wage earners and salaried employees. Special systems for miners, railway personnel, seamen, and public employees.

Source of Funds

Insured person: 10.95% of earnings (1.10% for medical benefits, 1.00% for cash benefits, and 8.85% for *exceptional* medical expense insurance).

Employer: 8.20% of payroll (includes 7.25% for medical benefits, 0.95% for cash benefits).

Government: Cost of supplements necessary to bring cash sickness benefits up to guaranteed minimum income level.

Maximum earnings for contribution purposes: Medical benefits, 193 guilders per day; cash benefits, 286 guilders a day; *exceptional* medical expenses, 44,349 guilders a year.

Above contributions also finance short-term work-connected disability benefits.

Qualifying Conditions

Medical benefits: Membership in approved sickness fund. No minimum contribution period for compulsorily insured.

Cash benefits: Fully incapable of doing one's own work.

Sickness and Maternity Benefits

Sickness benefit: 70% of earnings up to daily maximum earnings of 286 guilders. Payable for up to 52 weeks. First 6 weeks paid by employer (2 weeks by small employer).

Maternity benefit: 100% of earnings, payable for total of 16 weeks.

Workers' Medical Benefits

Medical benefits: Service benefits provided by doctors, hospitals, and druggists under contract with and paid directly by sickness funds. Includes general and specialist care, hospitalization, laboratory services, medicines, limited dental care, maternity care, appliances, rehabilitation, and transportation.

Insured pays annual fee of 198 guilders per adult covered and 66 guilders for each child. Patient shares cost of maternity and long-term hospitalization, plastic surgery, artificial limbs, and transportation. (No cost sharing if income below specified limit.)

Maximum duration: No limit. Exceptional medical expenses program takes over from 366th day.

Dependents' Medical Benefits

Medical benefits for dependents: Same as for insured person.

Maternity compensation: Wife of insured man receives same nursing or hospitalization benefit as insured woman.

Death benefit: 100% of covered earnings for balance of current month and next 2 months payable to survivors on death of insured worker.

Administrative Organization

Approved sickness funds, administration of medical benefits; supervision by tripartite Sickness Funds Council. About 25 funds now operating. Approved Sickness Funds and private sickness insurance companies administer Exceptional Medical Expenses payments.

Industrial associations, administration of cash benefits within each industry.

Work Injury

First law: 1901.

The provisions of 1966 and 1968 legislation under sickness and disability programs (see above) apply to all incapacities, whether work-connected or not. No specific work-injury insurance since 1967.

Unemployment

First law: 1916 and 1949.

Current laws: 1987.

Type of program: Dual social insurance and unemployment assistance systems.

Coverage

Employed persons.

Special system for public employees.

Source of Funds

Insured person: Average of 2.20% of earnings, according to industry.

Employer: Average of 2.55% of payroll, according to industry.

Government: None.

Maximum earnings for contribution and benefit purposes: 286 guilders a day.

Qualifying Conditions

Unemployment benefit: 26 weeks of work in the preceding year for the basic benefit. Three years of work in the five-year period preceding unemployment for extended benefit.

Registered at public labor exchange. Capable of work; available and looking for work.

Unemployment Benefits

Unemployment benefit: 70% of earnings up to daily maximum earnings of 286 guilders.

Payable as basic benefit for 6 months.

Can be extended for as much as another 4 1/2 years, depending on age and years of covered employment.

Administrative Organization

Social Security Supervisory Board, general supervision; tripartite membership.

Industrial associations, administration of benefits within each industry.

NETHERLANDS

District and local offices of associations receive and pay claims.
Municipalities administer unemployment under social assistance.

Family Allowances

First law: 1939.
Current laws: 1962 (amended in 1980 and 1985).
Type of program: Universal system.

Coverage

All residents with 1 or more children.

Source of Funds

Insured person: None.
Employer: None
Government: Financed by national government budget.

Qualifying Conditions

Family allowances: Child must be under age 18.

Family Allowance Benefits

Family allowances: Range from 284.66 guilders per quarter for families with 1 child under 6 years of age to 645.59 guilders per quarter per child for families with 3 children between 12 and 17 years of age.
Adjustment: Twice a year on basis of price index changes.

Administrative Organization

Social Security Supervisory Board, general supervision; tripartite membership.
Social Insurance Bank, administration of allowances.

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